



#314-21

**Commonwealth of Virginia
Virginia Department of Education
Superintendent's Memo #314-21**

DATE: November 19, 2021
TO: Division Superintendents
FROM: James F. Lane, Ed.D., Superintendent of Public Instruction
SUBJECT: **Composite Index of Local Ability-to-Pay for the 2022-2024 Biennium**

This memorandum contains information regarding the Composite Index of Local Ability-to-Pay for the 2022-2024 biennium, which will begin July 1, 2022. Pursuant to Item 145, Paragraph A.4, Chapter 552 (2021 Special Session I Virginia Acts of Assembly), the 2022-2024 composite index was calculated using 2019 base-year data provided by the Department of Taxation for Virginia adjusted gross income (AGI), taxable retail sales, and true value of real property. The estimates of local population for 2019 are provided by the Weldon Cooper Center for Public Service at the University of Virginia, and the actual March 31, 2020, average daily membership is based on data reported by school divisions to the Virginia Department of Education.

The Virginia Department of Education calculated the 2022-2024 composite index excluding nonresident AGI as required by the appropriation act for all eligible school divisions. Consistent with prior biennia, eligible school divisions are no longer required to submit a certification form requesting the exclusion of nonresident AGI.

A downloadable file in Excel format containing the 2022-2024 composite index for each school division [is available on the Virginia Department of Education website](#). The file displays all of the data elements used and the steps involved in the calculation of your 2022-2024 index. In addition, the website includes a file that provides comparisons between the per pupil and per

capita components of division indices relative to statewide averages for both the 2020-2022 and the 2022-2024 biennia. This data can assist you in assessing the elements in the composite index formula that contributed to increases or decreases in your index for 2022-2024 compared to 2020-2022.

The Virginia Department of Education will use this composite index in calculating the state share of projected school division payments for the Governor's introduced budget for the 2022-2024 biennium. Information regarding these projected payments will be provided to you in late December following the release of the Governor's 2022-2024 introduced budget, scheduled for December 16, 2021.

For more information

If you have questions or need additional information concerning this data, please contact the Budget Office at (804) 225-2025 or by email at doebudgetoffice@doe.virginia.gov.

JFL/eml